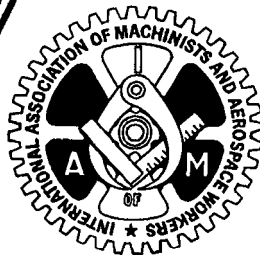


International
Association of
Machinists and
Aerospace Workers



9000 Machinists Place
Upper Marlboro, Maryland 20772-2687

Area Code 301
967-4500



OFFICE OF THE INTERNATIONAL PRESIDENT

GL-2 Legislative

October 3, 2003

Re: Petition P3-03

ORIGINAL

Fax 202/523-0014

Mr. Bryant L. VanBrakle
Secretary
Federal Maritime Commission
800 North Capitol Street, N.W.
Washington, DC 20573

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FEDERAL MARITIME COMM

Dear Secretary Van Brakle and Commissioners:

On behalf of the 550,000 members of the International Association of Machinists and Aerospace Workers (IAMAW), I write to endorse UPS' recent request for an exemption from the prohibition on Non-Vessel Operating Common Carriers (NVOCC's) from entering into confidential customer contracts. Due to the unique operational characteristics of UPS, as well as the recent developments within the ocean-shipping marketplace, the outdated regulatory scheme governing NVOCC's should be re-examined. Furthermore, granting the UPS petition will provide equity with Vessel Operating Common Carriers, therefore benefiting US businesses, shippers, and consumers.

UPS, a major US union employer, possesses a highly sophisticated, integrated, intermodal transportation network including air, rail, trucking, and ocean shipping movements. In order to meet the customer's demands for innovative transportation solutions, we feel it imperative that UPS be able to compete fairly with foreign-owned Vessel Operators in a competitive, world shipping market. In addition, UPS differs from the vast majority of traditional NVOCC's in that it makes significant annual capital investments to its asset-based transportation infrastructure.

The UPS petition, citing the recent evolution of the ocean-shipping marketplace, is precisely the reason Congress granted such broad exemption authority to the FMC. While anticipating dramatic changes in the ocean shipping industry with the passage of OSRA, Congress did not contemplate how fast or how smoothly the market could adapt to these changes. By granting this petition, the FMC will acknowledge these changes, level the playing field between NVOCC's and vessel operators, and ultimately benefit shippers and consumers around the world.

Thank you for giving the IAM the opportunity to comment on this important matter. On behalf of our organization, I trust the Federal Maritime Commission will recognize the UPS petition's merit and grant their request for regulatory relief.

Very truly yours,

R. Thomas Buffenbarger
International President